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TAGS: PREL PGOV PINS PINR IZ
SUBJECT: GOI KURDS ON SFA/SOFA, TIES WITH THE NEIGHBORS,
AND A BIT OF DOMESTIC POLITICS

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

¶1. (C) The Ambassador and Special Assistant to the President Brett McGurk met on May 20 with Deputy Prime Minister (DPM) Barham Salih, May 21 with Salih and President Talabani, and May 22 with Salih and Foreign Minister Hoshyar Zebari. On the Strategic Framework and Status of Forces Agreements (SFA and SOFA), Salih presented a working draft of the SFA which enjoys Iraqi consensus, but voiced deep pessimism that Prime Minister Maliki ultimately will support a strategic agreement with the U.S. On foreign policy, Talabani briefed on a successful visit by former Russian premier Yevgeny Primakov and slow but encouraging progress on establishing relations with Egypt, Jordan, and Turkey. Talabani and Salih diverged mildly on how to handle Iran, with Talabani opposing diplomatic confrontation and Salih seeming to support it. On the domestic front, Salih blasted the GOI for dissolving the Iraqi Olympic Committee but praised the PM,s tactful handling of recent reports a U.S. soldier desecrated the Quran. End summary.

SFA Talks Progressing But Don't Trust Maliki

- 12. (C) Salih on May 22 presented a draft SFA which he said at last enjoys Iraqi consensus, having emerged only minutes before from a meeting with the rest of the five deputies (Zebari, Humam Hammoudi, Sadiq al-Rikabi, and Khalil Azzawi). All parties, he said, seek the strongest possible language on U.S. protection against external aggression. He reported the Shia had objected to repeated references to supporting Iraqi women's rights as too "American," added "former regime elements" to the list of targets for joint U.S.-Iraqi operations, and inserted language that the U.S. will not use Iraq as a springboard for military actions "against other countries," presumably in large part with Iran in mind. The Ambassador reacted positively to most of the changes but specified that the U.S. cannot accept words like "commitment" or "guarantee" that bind it to specific actions for the indefinite future.
- 13. (C) The Ambassador briefed Salih on options for protecting Iraqi financial assets against Saddam-era claims, following up on a concern the DPM had raised previously. The options include seeking a Chapter VII United Nations Security Council Resolution (UNSCR) applying only to asset protection and not to troops, rolling over UNSCR 1790 to cover both assets and troops, or negotiating bilateral agreements with all countries besides Iraq and the U.S. who hold Iraqi assets. The Ambassador warned that none of the options could succeed unless Iraq demonstrates seriousness about paying debts eventually. Either of the UNSCR options could face stiff opposition from Russia. The Chapter VII approach would require talks with permanent UNSC members almost immediately, and Iraqis as soon as possible should begin assessing how many claims are legally realistic. The Ambassador added, however, that the U.S. will support Baghdad regardless of which option it selects.
- ¶4. (C) Salih is deeply pessimistic that Maliki or his inner

circle ultimately will support a strategic agreement. said Maliki, and the Shia GOI leadership in general, is conflicted -- they recognize U.S. military support remains necessary to their rule and prefer to negotiate with the current U.S. administration still in office, but they come from a political culture deeply antithetical to the U.S. Even before the 2007 troop surge, many Dawa party leaders wanted MNF-I out of Baghdad so the Iraqi Security Forces (ISF) could clean the city up without restraint. Moreover, Salih judged that the high price of oil and perceived security successes in Basrah, Sadr City, and Mosul are having a "Putin effect" on Maliki, inflating his sense of victory to a dangerous degree. The SFA will be unpopular with his religious Shia constituents, bind him to more U.S. presence than he would like, and face enormous resistance from Tehran. Taken together, he has ample incentive to impede or even quash a meaningful bilateral agreement. All of this notwithstanding, Salih said the SOFA still would be harder to conclude than the SFA because of disagreements on immunities, detentions, and operational constraints.

¶5. (C) Zebari predicted that Hashemi, Council of Representatives (COR) Speaker Mashhadani, and other top Sunni leaders ultimately would support the SFA, though they would not be its top cheerleaders during the negotiations. Talabani claimed Hashemi already does support the SFA. Salih assessed that the position of ISCI leaders Abd al-Aziz al-Hakim and Adil Abd al-Mahdi could prove pivotal in delivering overall Shia support; the Kurdish leadership and population, he said, will of course back the agreement in full. Salih concluded that the U.S. should focus on solidifying 3 1 1 support for the agreement, and attempt to

BAGHDAD 00001603 002 OF 003

reconvene their deputies before the International Compact for Iraq conference to discuss the U.S. response to this latest Iraqi draft.

Relations Slowly Improve With Russia and Arabs, But Not Iran

Foreign Minister Yevgeny Primakov in Suleimaniya. He reported telling Primakov that Russia would not get "one bottle of oil" unless it engages more actively to help the Iraqi government, extracting Primakov,s promise to relay Talabani,s counsel to Prime Minister Putin. Primakov further endorsed the close U.S.-Kurdish relationship, to Talabani,s surprise, saying the Kurds need and should value U.S. protection. The President asked Primakov about potentially buying Russian helicopters, a crucial tool in the

16. (C) Talabani last week hosted former Russian Premier and

- urban combat in which the GOI is engaged; Primakov voiced concern that Russian technology could fall into U.S. hands, but also surprise that Moscow has not already sold helicopters to Iraq and promised to look into it. Talabani said the French are also amenable to selling these to Iraq; Salih quipped that a good backup plan would be to buy every rotary-wing aircraft Turkey has, in reference to Turkish military operations in northern Iraq.
- ¶7. (C) Talabani said Egypt is leading the Arab states in building relations with Iraq, due to progress on setting up the bilateral committees Talabani and President Hosni Mubarak agreed to establish during Talabani,s November visit to Cairo. Ties to Jordan are also improving, as plans continue for mutual visits by Maliki and Jordanian King Abdallah. Reportedly, Maliki has agreed to sell subsidized Basrawi oil to Jordan, complete a pipeline to Jordan through Anbar, and bring in a U.S. company to speed development of the Akkas gas field near the Syrian border, which Abdallah had requested. Salih was also optimistic on outreach to the UAE, saying he will encourage Emirati Foreign Minister Abdallah bin Zayid to visit Baghdad. All agreed that Syria remains a major problem because it shelters the Ba'ath party, but Talabani perceived an opportunity even in this any future Ba'athist

resurgence would put Syria fundamentally in conflict with Iran.

- ¶8. (C) Talabani called Turkish Special Envoy to Iraq Murat Ozcelik's recent visit to Iraq a success. Ozcelik proposed gathering all Kurdish political parties in Turkey to urge the PKK to lay down its arms and accept a peaceful struggle for Kurdish rights, resembling an idea Talabani himself has proposed. Talabani approved but advised Ozcelik to ensure Turkish President Gul's support, since Gul in his view has the closest contacts with parties representing Turkish Kurds.
- 19. (C) Talabani repeatedly opposed aggressive diplomatic confrontation with Iran, while Salih lamented that the GOI as a whole is not yet serious about pushing the Iranians back, calling the late March Basrah operation a missed opportunity. Talabani said Iran is fundamentally afraid that if Iraq stabilizes, Iraqis will lead the Shi'a world. Shi'ism in his view is experiencing a great schism as Christianity and Islam have in the past, but wise policies could keep it to a low boil until Iraq is strong enough to negotiate a sustainable arrangement with Iran. He said Iran could still easily be supporting armed Iraqi groups in 20 years, but parried a suggestion the GOI send Tehran a harsh diplomatic message by suggesting Iraqis get their own house in order first. Salih said Iranian Foreign Minister Mottaki recently complained to him that the Iraqi media is attacking Iran too much, to which Salih replied that both parties must recognize that their relations are in crisis. Talabani said Maliki for the moment says he cannot go to Tehran because of Iranian press reports the visit would come on the U.S. Ambassador's orders.

Blasting PM on Olympic Feud but Praise on Qu'ran Incident

- 110. (C) The Ambassador asked what could possibly have prompted the GOI to suspend the Iraqi Olympic Committee, warning that the decision seriously endangers Iraq's ability to participate in the Beijing games. Salih and Zebari erupted simultaneously in frustration at the decision, which they said the entire Kurdish bloc had opposed in the COR. They claimed the entire United Iraqi Alliance had voted in favor of dissolution on the weak pretext that the IOC still contained leftover elements from Uday Hussein's tenure. The real reason for dissolving, speculated Salih, is that the head of the committee was a Kurd.
- 111. (C) Salih was cautiously optimistic about avoiding a violent reaction to recent reports a U.S. soldier desecrated a Qur'an. Prime Minister Maliki downplayed the incident

BAGHDAD 00001603 003 OF 003

while briefing the cabinet, saying such anomalies are inevitable with 150,000 soldiers in the country. Salih reported a positive reaction when Maliki announced he had spoken to POTUS about the incident, and recommended the USG publicize POTUS' condemnation on Iraqi television. Above all, Salih suggested all possible efforts to prevent the story from dragging on.

- 112. (C) On the talks to bring Tawafuq back to the cabinet, Talabani said he told Hashemi to come back soon and Maliki to accept Hashemi's latest list of ministerial nominations without complaint. Salih noted that Tawafuq has offered Maliki his choice of two names for each vacant post. Maliki, Salih said, prefers Sa'dun al-Dulaymi for the empty Deputy Prime Minister slot, but Talabani said Maliki had promised to accept Rafe al-Issawi, Tawafuq's preferred candidate. The President added that Islamic Supreme Council of Iraq (ISCI) leader Abd al-Aziz al-Hakim this week had blessed Maliki's choices from the Tawafuq list.
- 113. (C) Talabani claimed to have promised Maliki he would order Fuad Massum, leader of the Kurdish bloc of the COR and a longtime member of Talabani's Patriotic Union of Kurdistan (PUK), to support the February 2007 draft of the hydrocarbon

legislation in its entirety. He said this is his right as the designated leader of the Kurds on national governance issues, implicitly rejecting KRG President Barzani's efforts to amend the draft that passed the Council of Ministers. CROCKER